

August 30, 1978

file copy

Mr. Robert L. Steele
Interstate Brick Co.
1075 North 400 East
Nephi, Utah 84648

Re: Bond Estimate
Interstate Brick Co.
Long Canyon Mine
Utah County, Utah
ACT/049/007

Dear Mr. Steele:

During the 30 day waiting period following publication of Interstate Brick Company's abbreviated mining and reclamation plan, the Division of Oil, Gas, and Mining received no written protest.

We have prepared a reclamation surety estimate which you will find enclosed. Also included is a contract form. If the surety is acceptable to Interstate Brick, please return the completed contract prior to September 27th, our next scheduled Board meeting. Please note that the form and amount of surety is subject to the Board's approval and that the dates are to be entered at the time the second party, the Board, signs the document. The Division of State Lands has agreed to the contract form of surety and to the Division of Oil, Gas, and Mining holding the surety. Also, be advised that mining operations cannot commence until the surety has been approved by the Board of Oil, Gas, and Mining.

If you have any questions please don't hesitate to call. Thank you for your continued cooperation.

Sincerely,

JWS

JAMES W. SMITH JR.
RECLAMATION SOILS SPECIALIST

JWS/sp
enc: Bond Estimate
Mr Form 6
cc: John Blake
Division of State Lands

DIVISION OF OIL, GAS, AND MINING
BOND ESTIMATE

OPERATOR: Interstate Brick Co.
MINE NAME: Long Canyon
LOCATION: Sec. 16, T. 7S., R. 1W. - State Land ML-34181
COUNTY: Utah
DATE: 8-30-78

	Operation	Amount	Rate	Cost
A.	CLEAN-UP			
	1. Removal of structures & equipment.	One lot	\$500.00	\$ 500.00
	2. Removal of trash & debris.	One lot	500.00	500.00
	3. Leveling of ancillary facilities pads and access roads.	_____	_____	_____
B.	REGRADING & RECONTOURING			
	1. Earthwork including haulage and grading of spoils, waste and overburden.	6-10 hr days cat time	\$ 85.00/hr	\$5,100.00
	2. Recontouring of highwalls and excavations.	Included in above		
	3. Spreading of soil or surficial materials.	Included in above		
C.	STABILIZATION			
	1. Soil preparation, scarification, fertilization, etc.	16 acres	\$ 50.00/ac	\$ 800.00
	2. Seeding or planting.	16 acres	150.00/ac	2,400.00
	3. Construction of terraces, waterbars, etc.			
D.	LABOR			
	1. Supervision.	6-10 hr days	\$ 10.00/hr	\$ 600.00
	2. Labor exclusive of bulldozer time.	_____	_____	_____
E.	SAFETY			
	1. Erection of fences, portal coverings, etc.	_____	_____	_____
	2. Removal or neutralization of explosive or hazardous materials.	_____	_____	_____
F.	MONITORING			
	1. Continuing or periodic monitoring, sampling & testing deemed necessary.	4 Annual Inspections	\$ 50.00ea.	\$ 200.00
G.	OTHER 5% Inflation factor for 50 year mine life	11.4674	Subtotal	\$ 10,100.00
				\$105,720.00
			Total	\$115,820.00

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
BOARD OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

* MINED LANDS RECLAMATION CONTRACT *

LONG CANYON MINE

THIS CONTRACT, made and entered into this _____ day of _____, 19____, between _____ a corporation duly authorized and existing under and by virtue of the laws of _____ as party of the first part, and hereinafter called the Operator, and the Board of Oil, Gas, and Mining, duly authorized and existing by virtue of the laws of the State of Utah, as party of the second part hereinafter called the Board.

WITNESSETH:

WHEREAS, the Operator is the owner and in possession of certain mining claims and/or leases hereinafter more particularly mentioned and described in Exhibit "A" attached hereto.

WHEREAS, the Operator did on the 17th day of May 1978, file with the Division of Oil, Gas, and Mining, a "Notice of Intention to Commence Mining Operations" and a "Mining and Reclamation Plan" to secure authorization to engage, or continue to engage, in mining operations in the State of Utah, under the terms and provisions of the Mined Land Reclamation Act, Section 40-8, UCA, 1953;

WHEREAS, the Operator is able and willing to reclaim the above mentioned "lands affected" in accordance with the approved mining and reclamation plan, the Mined Land Reclamation Act and the rules and regulations adopted in accordance therewith.

WHEREAS, the Board has considered the factual information and recommendations provided by the staff by the Division of Oil, Gas, and Mining as to the magnitude, type and costs of the approved reclamation activities planned for the land affected.

WHEREAS, the Board is cognizant of the nature, extent, duration of operations, the financial status of the Operator and his capabilities of carrying out the planned work.

NOW THEREFORE, for and in consideration of the mutual covenants of the parties by each to the other made and herein contained, the parties hereto agree as follows:

1. The Operator promises to reclaim the land affected in accordance with the approved Mining and Reclamation Plan, the Mined Land Reclamation Act, and the Rules and Regulations adopted in accordance therewith.
2. The Board, in lieu of the posting of a bond or other surety, accepts the personal guarantee of the Operator to reclaim the land affected.
3. The Board and Operator both agree that the Operator will not be obligated to expend a sum in excess of that required to complete the reclamation work outlined in the Mining and Reclamation Plan which was designed for the mining operation as submitted to the Division on the 17th day of May, 19 78, and which has been estimated to cost \$ 115,820.00.

IN WITNESS WHEREOF, the parties of the first and second parts hereto have respectively set their hands and seals this _____ day of _____, 19____.

By: _____

ATTEST:

Secretary

BOARD OF OIL, GAS, AND MINING

By: _____

Chairman

Note: If the Operator is a corporation, the agreement should be executed by its duly authorized officer with the seal of the corporation affixed.